THE SHA

21 September 1976 **(**3

× 5 min

MEMORANDUM FOR THE RECORD

SUBJECT: BACKFIRE

- 1. Mr. George Graff, President, McDonnell Douglas Aircraft Division (McAIR) met with the DCI and the undersigned this date.
- The discussion centered on the BACKFIRE analysis conducted by McAIR for the CIA. Mr. Bush reiterated the problems that he had discussed with Mr. Sandy McDonnell in July. He advised Mr. Graff that he was concerned with the pressures being levied on McDonnell Douglas because of the BACKFIRE analysis and with the allegations being made in the press that CIA was slanting the analysis and biasing the McAIR work by withholding information. Mr. Bush asked whether Mr. Graff had any indication that CIA had put any pressure on McAIR personnel to reach directed conclusions or whether any evidence had been withheld from McAIR analysts. Mr. Graff responded he had discussed these matters with Mr. Harold Altis and others and that no one had been pressured by CIA. Furthermore, he understood that, unlike the statements in the press, all the evidence had been available to McAIR. I pointed out that because of the data, it had been necessary to select to be examined. McAIR analysts had participated in that selection process to ensure that representative of the different regimes demonstrated by BACKFIRE were used. Mr. Bush commented that if any CIA personnel put any pressure on McAIR to slant its judgments, he wanted to know immediately. Such improper action would result in termination of an individual's employment with CIA.
- 3. Mr. Bush added that CIA could not survive if it were shown to be slanting its estimates for any reason. Mr. Bush flatly stated that Secretary Kissinger had not placed any pressure on him to provide judgments which reduced the capabilities of BACKFIRE. Mr. Bush then stated that he had discussed this problem in detail with the President and that his instructions were to produce the best objective judgments possible. Mr. Bush then described the National Estimates procedure. He said that although NFIB by statute was advisory to him, the NIE which would discuss BACKFIRE would present dissenting views as well as the CIA assessment.

APPROVED FOR RELEASE DATE: MAR 1999

SFERRI

E2 IMPDET

SUBJECT: BACKFIRE

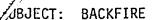
4. Mr. Bush said he did not know what position Air Force would take after they reviewed the McAIR/CIA analysis and had conducted their own analysis. Mr. Graff commented that in the areas of aircraft performance, analysts tended to personal reaction when another party reached different judgments and then felt forced to defend their previous position. I commented on the briefing that had been given me last Thursday by FTD.

Mr. Graff agreed.

- 5. Mr. Bush then got into the subject of Air Force pressure on McAIR. He said that he had information that it had been applied and that he had discussed it with the President, the Chairman of the Joint Chiefs, the Chief of the Air Staff, General Keegan, and with Mr. Sandy McDonnell. Mr. Bush added that he understood the problem that McDonnell Douglas faced. He said that the President would take steps to eliminate the pressure if McAIR found itself in a hard spot. Mr. Bush said that no President would tolerate receiving slanted intelligence judgments.
- 6. Mr. Graff said that two of their consultants, Generals Shriever and McKee, had advised McAIR that the Air Force was very upset over the McAIR analysis. Mr. Bush asked whether they were stating their own opinions or were reflecting Gen. Keegan's views as expressed at a Commanders' Conference. Mr. Graff said it was the latter. Mr. Bush said that Gen. Jones had advised him that Gen. Keegan was not speaking for the Air Force in this matter. Mr. Bush had suggested it would be difficult to separate Gen. Keegan from the Air Force if Gen. Keegan had to testify on the subject on the Hill.
- 7. Mr. Bush asked if Mr. Graff was aware of pressure being placed on McDonnell Douglas' Washington office by Mr. Jim Wade. Mr. Graff said he was not. I commented that Mr. McDonnell had advised me of some pressure from Wade's people.

THE CHY

SECRET



8. Mr. Graff said that McAIR would continue to work with CIA. He did not expect any pressure to effect McAIR's business. Mr. Bush asked that if such problems arose, he would like to be advised so that steps could be taken to correct the matter. Mr. Bush then thanked Mr. Graff for coming and for the frank discussion which had taken place.

Associate Deputy Director for Science and Technology

SECOLI -